

# SINCE YOU CARE

A Series of Guides from **MetLife** in Cooperation with the National Alliance for Caregiving

## Understanding Home Care Agency Options

### About the Subject

As people age, the desire to remain in their homes, close to family, friends and familiar surroundings deepens. However, the ability to remain totally independent within one's own environment often diminishes. An estimated 44.4 million Americans (21% of the adult population) are providing unpaid care to someone age 18 or older. These caregivers represent approximately 22.9 million households (21% of all those in the United States.).<sup>1</sup> Often, however, paid outside help is needed to supplement this care because of the caregiver's responsibilities for children or work outside the home.

Increasing dependence can be seen in the need for assistance with personal care such as bathing, dressing or assisting with routine household chores. Sometimes the decrease in independence is simply due to



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*Caregivers face many challenges as they search for information and make decisions about how best to provide care to their loved ones. To help meet their needs,*

*MetLife offers SinceYouCare® — a series of guides which provide practical suggestions and useful tools on a variety of specific care-related products.*

advancing years and the changes in dexterity, vision, hearing and cognitive function that often accompany the aging process. Changes in independence may also be due to an acute event, such as an accident or stroke or may be the result of a chronic disease such as rheumatoid arthritis, heart disease or lung disease.

The continued desire for family and friends to remain at home, or “age in place,” has created one of the fastest growing segments of the health care industry, homecare, on which we spend \$43 billion dollars annually.<sup>2</sup> As with any growing industry, a vast array of service providers emerge. Caregivers can be hired through an agency or independently and the many choices available can often be confusing and frustrating. Included here is information on home care agency options that can help to make the process more manageable.

## Things You Need to Know

### Assessing Your Home Care Needs

First, determine the individual’s care requirements.

- Will there be a need for hands-on care such as bathing, dressing and toileting?
- Are there cognitive issues that will require a different type of care?
- Will the care consist of household assistance and meal preparation?
- Will care be a combination of both personal and household assistance?
- Are there financial restrictions that will affect how or where care is received?
- Is the individual willing to receive help?
- Is home modification needed?
- Would home modification make the environment safe and accessible?

Determine the amount of time and the number of days that the caregiver will actually be needed in the home and write this information down so that you have it when calling an agency.

### Help With Assessments

You may be able to make this assessment on your own, or you may need some outside assistance. If you require help from an outside source, check with the local senior center. They often have social workers who can perform assessments or direct you to those who can. Or, you may decide to engage

the services of a geriatric care manager to help you with your assessment.

A geriatric care manager is a professional who specializes in assisting older people and their families making their long-term care arrangements. They have training in gerontology, social work, nursing or counseling. They can do in-home assessments, develop care plans and monitor services. They can also help families to confer and agree on the older person’s needs and how they can be met.

Sometimes an individual’s ability to remain in their own home, which helps them preserve self-sufficiency and dignity, may be achieved with services that are basic but can make a big difference to the older adult.

### Types of Care

Care in the home is divided into two areas, custodial or supportive and skilled.

### Custodial or Supportive Care

- Usually provided by paraprofessionals—home health aides, home care aides and nursing assistants who provide hands-on care to people in their home, nursing homes

or assisted living facilities.

- Includes assistance with bathing, dressing and mobility.
- Can consist of companionship, transportation, light housekeeping, laundry or similar tasks.
- Is not deemed “medically necessary.”
- Is not covered by Medicare or most private health insurance.

## Skilled Care

- Typically provided to individuals who are recovering from an acute illness or event.
- Deemed to be medically necessary and given under the direction of a physician.
- Usually provided by health care professionals such as nurses, therapists or specially trained home health aides, sometimes called certified nursing assistants, who work under the direction of a physician and/or registered nurses.
- May also include social workers, some laboratory services, podiatry and medical services and equipment.

Most often skilled services are needed after a person has fallen and needs physical therapy, experiences an acute event such as a stroke, or is discharged from a hospital after a short stay. Discharge planners and social workers assist in the coordination and arrangement of these

services. Be certain to acquaint yourself early with the social worker or discharge planner in the facility so that you can make sure services are arranged appropriately before going home.

Medicare will only pay for skilled care in the home for a limited amount of time to treat an illness or injury providing:

- The care is furnished by a participating home health agency.



- The care needed includes intermittent skilled nursing or therapy.
- The patient is homebound<sup>3</sup> and a physician authorizes the care plan.

## Types of Agencies

Every state has the authority to license and regulate its home care agency system. As a result, there are often variations in licensure requirements and regulations from state to state. The exception is Medicare-certified agencies that must comply with federal regulations.

- **Home Health Agency**

Probably the most familiar provider of home care services is the home health agency. The home health agency is usually licensed and Medicare certified. This means that the agency has met guidelines and criteria established by the federal government for patient care and management. The main purpose of this type of agency is to provide treatment and/or rehabilitation services to patients in their homes through the services of skilled nurses and/or therapists. The care plan is closely monitored and controlled and must be prescribed by a physician. This plan must be updated every 60 days in order for

Medicare benefits to continue. Home health agency services can include nursing, therapies, medical supplies, social work, home health aides and nutritional services. Some home health agencies may have a side to their agency that is private pay or non-Medicare certified. This side of the agency provides services to those individuals that no longer require skilled care, but continue to have ongoing personal, custodial care needs. The private pay side of a home health agency may have higher rates than an agency that is strictly a private pay home care agency.

- **Home Care Agency/Private Pay Home Care Agency**

A private pay home care agency is generally an agency that provides home care services that are not reimbursable under Medicare. This type of agency provides what is termed “custodial care,” or care that can be given by a non-medical care provider. The services offered may range from companion care to assistance with personal care functions such as bathing and dressing. They may offer non-skilled therapy and nursing services. The care is paid for privately by the

client, or in some instances, by private insurance such as long-term care insurance. It is not always mandatory to have a physician’s order for care. These agencies may or may not be licensed and regulated depending on each state’s requirements and legislation. Most of these agencies supervise and monitor their employees and are responsible for the care they provide.

- **Registry**

A registry is an agency that functions primarily as an employment service for home health aides and nurses. These agencies usually do not have a health care license nor do they have to conform to government regulation. Some registries may employ nurses to assess care needs, formulate a care plan and oversee workers, but this is not usually the case. When using a registry provider, the person employing the provider becomes the supervisor of care delivered, pays the provider directly, and becomes responsible for all state and federal payroll taxes.

- **Companionship/Non-Medical Home Care Services Agency**

A companionship/non-medical home care services agency



provides companionship and personal contact to people in their homes. The agency serves to prevent isolation of the person at home, assists with light home-making, errands and transportation and provides supervision for those who are unable to be left alone. Personal care is not usually performed by the caregivers. Most agencies employ their workers and do background checks, manage payroll and taxes and periodic supervision of the worker.

## **Type of Home Care Providers**

There are many categories of home care providers.

### ***Professionals***

- *Registered Nurses* usually provide skilled services, such as wound care, injections or similar services. They have received at least two or more years of specialized nursing education and are licensed by the state in which they practice. They often supervise those individuals providing personal care through an agency.

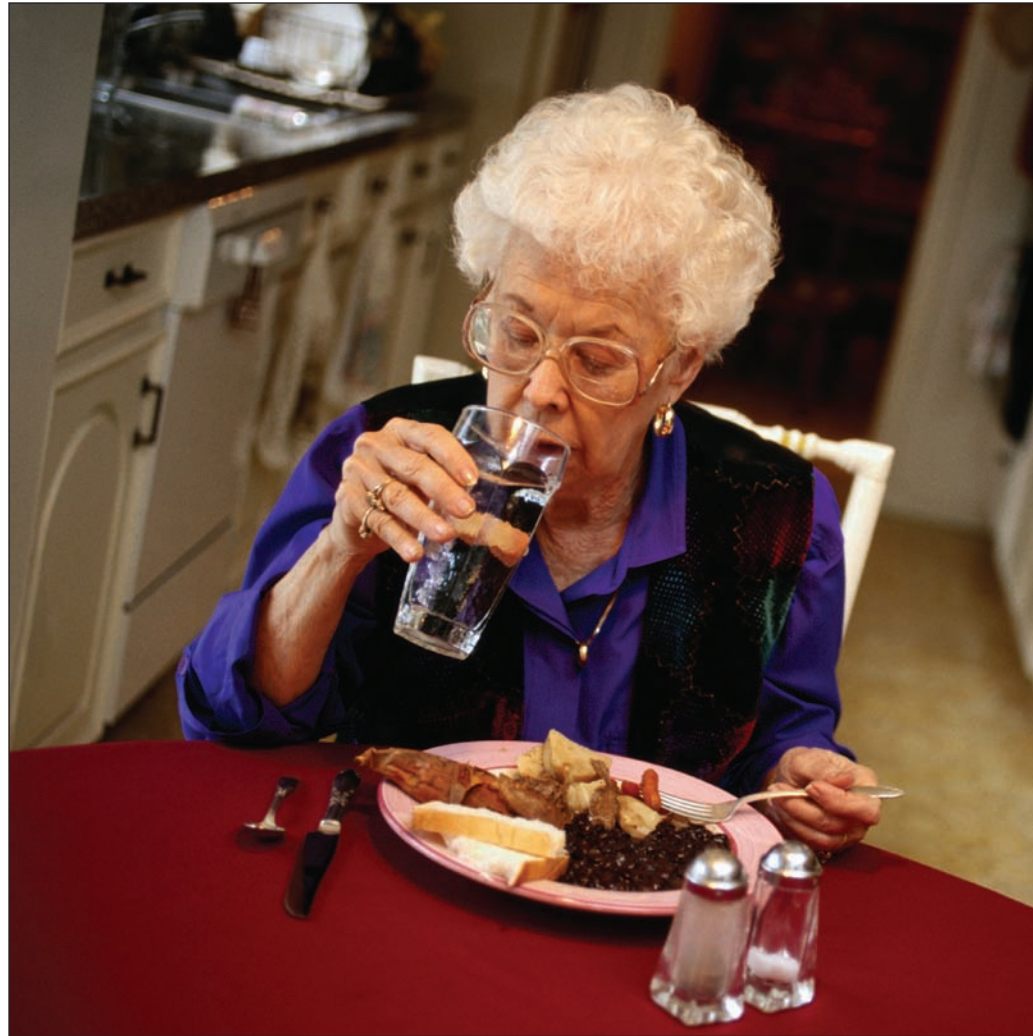
- *Licensed Practical Nurses* can provide some skilled services under the supervision of a registered nurse. They have at least one year of specialized education and are licensed by the state in which they practice.
- *Therapists* (physical, speech and occupational) assist in the restoration of mobility, strength, dexterity, communication skills and activities of daily living to individuals who are disabled by physical injuries or disease.

- *Social Workers* assist in the evaluation of social, emotional and environmental factors affecting the ill and disabled, may provide family or individual counseling, and help identify and secure community resources.

## ***Paraprofessionals***

- *Certified Nursing Assistants (CNA) and Home Health Aides (HHA)* work as part of the home health care team. The services that the CNA and HHA provide as part of that team are under the supervision of other health care professionals and usually covered under Medicare and private health insurance if their services are being provided as part of an approved plan of skilled care. They provide assistance with personal care services such as bathing and dressing, may take blood pressures, temperatures and pulses, assist with mobility, other personal care needs and some light housekeeping.

A CNA has successfully completed a training course and then passed both a written and practical exam. An individual who has successfully passed both exams is then placed on the state's CNA registry. Home health care agencies that receive reimburse-



ment from the federal government under Medicare have guidelines and competency tests that home health aides must meet to practice. Some states have home health aide registries for those aides that have met these requirements.

- *Non-Certified Aides/Personal Care Aides/Home Care Aides* are individuals that usually work in the private-duty/private pay area of home care. They provide services that are not reimbursable under

Medicare and private health insurance. Some long-term care insurance plans may cover these services but an individual should always check with their carrier first. The aides can provide general, routine, custodial personal care services and housekeeping.

- *Homemakers* perform light household duties, meal preparation, laundry and other similar tasks. They do not provide direct personal care.



- *Companions* provide comfort and companionship to those people who cannot be left alone and need supervision. They usually do not perform any direct personal care.

In general, the CNAs/HHAs provide health-related services under the guidance of a health care professional. The non-certified aide provides custodial, long-term personal care services. However, depending on the state law, there may be substantial variations in job titles, duties and costs.

## Payment for Home Care Services

The national average cost of a home health aide from an agency is \$19 per hour, while a home-maker averages \$17 per hour. Rates will vary depending upon where one lives and what agency one chooses.<sup>4</sup> Home care agencies can provide appropriate long-term care at a lower cost than a typical nursing facility, especially if it supplements the care of a family caregiver. Because agency rates can vary, it is best to call multiple agencies and get quotes regarding billing and rate structures, such as hourly or shift rates or minimum hourly requirements.

Ask agencies if they provide a set fee per visit for a specific care task, such as a bath visit. A regular visit might require a four hour minimum at \$18 an hour, but the agency may also provide bath visits. These typically last between 45 minutes and 1.5 hours and might include bathing, dressing and routine daily and personal care for a set fee of \$35, for example.

It is important to remember, however, that depending on the severity of health problems and the availability of family caregivers, home care may become just as expensive as care at a nursing facility, particularly if around the clock care is needed.

## Sources of Home Care Services Funding

### *Government Resources*

- *Medicare*—The Medicare home care benefit is available to retired individuals who are over the age of 65 and who have worked 10 or more years in a job that contributed to Medicare. The care being provided must be skilled and intermittent. The individual must be homebound while receiving services and under a plan of care by a physician. If the person meets all of these criteria, Medicare will pay for home health care services by nurses and therapists, intermittent home health aide assistance as long as skilled care is in place and 80% of pre-approved durable medical equipment needs.

While many older adults count on Medicare to cover their home care needs, the reality is that Medicare will only pay for medically necessary care, usually for a short duration and with significant restrictions. Funding for custodial care often must come from personal resources. The local Area Agency on Aging is a good place to check for any particular programs or services for which an individ-

ual might qualify for full funding or sliding scale payments. Sometimes counties have their own home care programs for which your relative may qualify.

- **Medicaid**—This is a joint federal-state assistance program for low-income individuals. It will cover medically necessary care, long-term care and some other personal and homemaking care at home depending

on the situation. Each state has individual requirements and individuals should check with their local Medicaid office.

### Disease-Specific Organizations

Local chapters of organizations such as the American Cancer Society, Multiple Sclerosis Society or Alzheimer’s Association may sometimes

assist with funding for home care services.

### Insurance

- **Health Insurance** and managed care organizations will pay for certain home care services, but this varies from plan to plan. Services usually need to be medically necessary or skilled, sometimes pre-approved and may or may not cover general personal care.

## Making a Decision Between an Agency Caregiver and Hiring Your Own Caregiver

<i>Home Health Agency</i>	<i>Independent Caregivers</i>
<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"> <li>• The care provider from an agency develops a comprehensive care plan and coordinates the plan with the individual’s physician.</li> <li>• The agency manages administrative details, which include payroll, government forms, expense tracking and providing a list of duties, etc.</li> </ul> <p><b>Relieves the hiring party from handling administrative details.</b></p>	<p style="text-align: center;"><b>Pros</b></p> <ul style="list-style-type: none"> <li>• It is up to you, as the employer, to develop a comprehensive plan of care and coordinate with the individual’s physician as needed.</li> <li>• Employer must monitor the quality of care and manage the administrative details of employment.</li> </ul> <p><b>Provides more control over a choice of caregiver.</b></p>
<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"> <li>• Based on the assessment of the individual, the agency will screen and assign the caregivers that they deem appropriate.</li> </ul> <p><b>Less control over caregiver.</b></p>	<p style="text-align: center;"><b>Cons</b></p> <ul style="list-style-type: none"> <li>• Job descriptions, monitoring, hiring, and firing are the responsibility of the employer.</li> </ul> <p><b>Monitoring of caregiver is time and labor-intensive.</b></p>



- *Long-term care insurance* is private pay insurance that can assist in reimbursement for home care costs if an individual meets the eligibility criteria in the policy. The insurance must be purchased before it is needed, for example, before long-term care becomes necessary. There are many different plans and it is always prudent to check with your carrier regarding eligibility criteria, deductibles and reimbursement. The National Association of Insurance Commissioners (NAIC) has a *A Shopper's Guide to Long-Term Care Insurance* that can be ordered free from their website at: [https://external-apps.naic.org/insprod/Consumer\\_info.jsp](https://external-apps.naic.org/insprod/Consumer_info.jsp).

## Choosing an Agency

With the number of agencies available, you have the opportunity to compare one to another. Ask for referrals from friends who may have used an agency. Check for quality of services and possible infractions. You can also check with the Chamber of Commerce or Better Business Bureau, which will have a record of any specific complaint lodged against an agency.

You may find some of these questions helpful in narrowing down your choices:

- Is the agency licensed by the state?
- Does it provide both nursing and non-medical/personal care?
- What are the qualifications and training of the workers?
- Are the workers supervised and if so, by whom?
- Are there a minimum number of hours required?
- Is there a written description of services and fees?

## Helpful Hints

When hiring anyone to come into your home, be sure to safeguard belongings such as check-books, credit cards, spare keys, expensive jewelry and other valuables. Make a list of these items and date it for reference if an incident does occur.

Immediately report an incident regarding home care staff. If you suspect a problem and have reasonable proof, contact the supervisor of the agency about the problem. You may also contact your local Area Agency on Aging, the Better Business Bureau and the Home Care Accreditation Agency regarding follow up procedures.

Keep a notebook or a list of names and numbers of important people and places such as the doctor, your work phone number, the number at the home, the emergency contact, the location and directions to the home, and other essentials. Keep this in a central location near a phone and be sure to review the information with the caregiver.

## Resources to Get You Started

### *Books and Publications*

#### **Avoiding Attendants from Hell: A Practical Guide to Finding, Hiring and Keeping Personal Care Attendants**

This is a comprehensive reference book for anyone who has the responsibility for hiring and monitoring the job performance of a paid home caregiver. It discusses the hiring and payroll process, as well as money management and other information. Price, J., (2002). Science & Humanities Press, \$16.95, ISBN: 1888725729

#### **Caring for Your Parents: The Complete AARP Guide**

This book discusses innovative ways that others have approached caregiving issues and concerns. It explores a vari-

ety of caregiving topics, includes many helpful tips and contains a listing of resources related to each chapter. The book looks at ways to find quality care and also to help provide for safety in the home.

Delahanty, H., Ginzler, E. and Pipher, M. (2005).

AARP, \$19.95,  
*ISBN: 1402717393*

### **How to Care for Aging Parents**

This book is a useful starting point for those finding themselves in a caregiver's role for

parents or any other older relative. It provides information on health care issues, caregiver concerns, community and facility based services as well as an extensive listing of helpful agencies and organizations, with contact information that assists caregivers. It contains information specific to home care services and provides guidance surrounding the questions to ask and what to look for when you are selecting services.

Morris, V., (2004). Workman Publishing Company, \$18.95,  
*ISBN: 0761134263*

### **The Comfort of Home, 3rd edition: A Complete Guide for Caregivers**

This guide contains information that caregivers can use at all stages of caregiving. It discusses working with home care services and provides guidance on how to think through the issues in choosing the care to best meet your loved one's needs.

Meyer, M. M. with Derr, P. (2007), CareTrust Publications, LLC, 24.95,  
*ISBN: 0966476794*

This guide is available through bookstores but may also be ordered by mail with order forms available through the Comfort of Home™ website at <http://www.comfortofhome.com/bk/>.

### **Resources for Caregivers**

This guide was prepared by the National Alliance for Caregiving and the MetLife Mature Market Institute to assist individuals and families who have assumed the role of caregiver, or anticipate future caregiving. Single copies are available free from:

MetLife Mature Market Institute  
57 Greens Farms Road  
Westport, CT 06880.

You may also call 203-221-6580 or e-mail: [MatureMarketInstitute@metlife.com](mailto:MatureMarketInstitute@metlife.com).



## Home Care Agency Checklist

These are basic questions to get you started. As you begin to understand the type of services that you and your care recipient require, you'll want to formulate your own questions to help you find and retain the best care provider possible.

### Types of Agency Services

Name of Agency			
Medical Care			
Personal Care			
Nighttime Care			
Assistance with Housekeeping			
Assistance with Chores or Errands			
Assistance with Transportation			
Rehabilitation Services			
Companionship			
Palliative or Comfort Care			

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## Financial

<b>Name of Agency</b>			
Who handles payroll and taxes?			
What is the overtime policy and procedure?			

## Business Practices

<b>Name of Agency</b>			
How long have they been in business?			
What different types of care do they offer?			
Does a nurse or therapist make an initial assessment of client?			
How often are supervisory visits made to the home and who makes them?			
What hours do they work?			
Can home care workers transport a patient to the doctor or do errands?			
Are their workers bonded and insured?			
Do they carry malpractice insurance?			
What if the scheduled caregiver can't work?			

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## Job Qualifications and Training

Name of Agency

Are workers licensed or certified?

Are background screens conducted?

Do they know basic First Aid and CPR?

How much experience has the worker had with older adults?

Who supervises their work?

Is a written care plan used?

Are confidentiality practices in place?

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## Internet Sites

**Benefits Checkup** is a site sponsored by National Council on the Aging (NCOA) that identifies programs for which seniors are eligible. [www.benefitscheckup.org](http://www.benefitscheckup.org)

### National Alliance for Caregiving (NAC)

The National Alliance for Caregiving website, [www.caregiving.org](http://www.caregiving.org), includes research on caregiving as well as practical assistance for caregivers and a clearinghouse that contains ratings and reviews related to over 1,000 consumer materials, websites, books and videos that can be searched for by the topic in which you are interested. To access the clearinghouse click on “Family Care Resource Connection” from the NAC caregiving tip page at: <http://caregiving.org/tips/>.

From the caregiving tip page you may also access a link to a public educational website “Family Caregiving 101” which is co-sponsored by the National Alliance for Caregiving, the National Family Caregivers Association and Eisai Inc. This website provides assistance and information for family caregivers on a variety of issues related to caregiving as well as resources for locating needed services. The website can be accessed directly at [www.familycaregiving101.org](http://www.familycaregiving101.org).

### National Association of Area Agencies on Aging (n4a)

The National Association of Area Agencies on Aging at [www.n4a.org](http://www.n4a.org) is the umbrella organization for the 655 Area Agencies on Aging which provide information and services for older adults. The federally-funded *Eldercare Locator*, administered by n4a, provides callers with information about local services, including home care services, by zip code. To reach the *Eldercare Locator* call 800-677-1116, 9:00 a.m. - 8:00 p.m. ET, or go to <http://www.eldercare.gov/>.

### National Association for Home Care and Hospice (NAHC)

The NAHC is a membership organization that represents home care and hospice agencies and advocates for care in the home, whenever it is appropriate. The website provides a database of home care providers which allows you to search for an agency in your area. It also includes a guide on “How To Choose a Home Care Provider” in an easy to read question and answer format. Access this site on the Internet at [www.nahc.org](http://www.nahc.org) or call 202-547-7424.

### National Family Caregivers Association (NFCA)

The NFCA is committed to support, educate and speak up for family caregivers. It provides a

number of practical tip sheets and checklists for caregivers which can be accessed at <http://www.thefamilycaregiver.org/ed/tips.cfm>. Topics include caregiver tips for: finding home health care in a guide called *A Home Healthcare Primer*. The main website for the National Family Caregiver’s Association is [www.nfcacares.org](http://www.nfcacares.org).

## Useful Tools

Attached is a checklist to help you select a home care agency.

- Home Care Agency Checklist

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## Endnotes

<sup>1</sup> *Caregiving in the U.S.*, National Alliance for Caregiving and AARP, Funded by the MetLife Foundation, April 2004, Accessed at <http://www.caregiving.org/data/04finalreport.pdf>.

<sup>2</sup> Peter S. Arno, *Economic Value of Informal Caregiving*, Presented at the Care Coordination and Caregiver Forum, Department of Veterans Affairs, NIH, Bethesda, MD, January 25-27, 2006, <http://www.va.gov/occ/Conferences/caregiverforum/Docs/Arno-Handout.pdf>.

<sup>3</sup> (The definition of homebound) Normally unable to leave home. Leaving home takes considerable and taxing effort. A person may leave home for medical treatment or short, infrequent absences for non-medical reasons, such as a trip to the barber or to attend religious services. A need for adult day care does not keep you from getting home health care. Glossary, [www.Medicare.gov](http://www.Medicare.gov), accessed 12/06.

<sup>4</sup> MetLife Market Survey of Nursing Home and Home Care Costs 2006.



## *About the Authors of Since You Care®*

*Since You Care* guides are prepared by the MetLife Mature Market Institute in cooperation with the National Alliance for Caregiving and MetLife's Nurse Care Managers.

**MetLife Mature Market Institute®** is the company's information and policy resource center on issues related to aging, retirement, long-term care and the mature market. The Institute, staffed by gerontologists, provides research, training and education, consultation and information to support Metropolitan Life Insurance Company, its corporate customers and business partners. MetLife, a subsidiary of MetLife, Inc. (NYSE: MET), is a leading provider of insurance and other financial services to individual and institutional customers.

**MetLife Nurse Care Managers** are available to MetLife's long-term care customers and their caregivers to help identify and resolve care-giving questions and concerns through counseling and referral.

### **National Alliance for Caregiving**

Established in 1996, the National Alliance for Caregiving is a non-profit coalition of national organizations that focuses on issues of family caregiving across the life span. The Alliance was created to conduct research, do policy analysis, develop national programs and increase public awareness of family caregiving issues.

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*This booklet offers general advice, however, it is not a substitute for consultation with an appropriate professional. Please see a health care professional, attorney, or other appropriate professional when determining how the information and recommendations discussed in this booklet apply to your specific situation.*